



Accessing Ex-Im Bank's Services to Grow Your Business

EXPORT-IMPORT BANK
of the UNITED STATES



Who We Are — What We Do

- Ex-Im Bank is an independent agency of the United States government
 - Established in 1934
 - Headquartered in Washington, DC
 - 5 regional business development offices, plus 2 satellite locations in CA (San Diego and San Francisco)

- Mission: Support US exports in order to create and sustain US jobs



Ex-Im Bank Regional Offices





Eligibility Criteria

No Defense Articles or Services, or Military Buyers

- Exceptions may be made for humanitarian purposes, drug interdiction, dual-use items

US Content

- 51% for short-term transactions
- 85% for medium-term transactions
- Services must be performed by US-based personnel, either in the US or in the “host” country



Eligibility Criteria

Country Eligibility

- Support available in over 155 countries
- Restrictions may apply for political or economic reasons
- Refer to the Country Limitation Schedule (CLS) at www.exim.gov, on the homepage under “Shortcuts”



How Ex-Im Can Help You Business Expand

- Minimize risks
- Provide a Marketing Advantage
- Supplement commercial financing





Post-Export Financing Solutions:

EXPORT-IMPORT BANK
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**... When a Foreign Buyer
Needs Medium-Term
or Long-Term Financing**



Medium-Term Insurance and Guarantees

- Capital equipment sales and related services
- Lease transactions
 - Finance Lease: Insurance or Guarantee
 - Operating Lease: Insurance only
- Used equipment OK up to 3 year terms
- Buyer criteria per Medium-Term Credit Standards
 - Minimum 3 year history
 - Reliable financial statements (audited if credit exceeds \$1 million)
 - Buyer must meet certain financial ratios



Medium-Term Insurance and Guarantees

- Minimum 15% down payment required (may be financed by the lender)
- 100% coverage on the remaining 85% financed portion (both principal and interest)
- 1 to 5 year repayment, exceptionally 7 years and < \$10 million (up to 15 years for certain environmental exports)
- Generally limited to buyers in developing markets
- Ex-Im Bank can now support up to 30% of Local Cost



Medium-Term Insurance & Guarantees: Pricing Indications (as of April 17, 2008)

Private-sector, corporate borrowers, 5 year tenor, for transactions under \$10 million

Country	Insurance Premium	Guarantee Exposure Fee
Low Risk	1.76 %	1.77 %
Medium Risk	2.85%	2.89 %
High Risk	3.65%	3.71%

- Refer to “*Fee Calculator*” on www.exim.gov
- One-time (flat) fee (may be financed)
- Under Guarantee program, a 0.125% p.a. commitment fee applies (accrues 60-days from approval date)



Standard Finance Model

(5-year credit to private-sector Mexican buyer)

Net Contract Price:	US \$1,000,000
<u>Less: 15% Down payment:</u>	<u>150,000</u>
Financed Portion:	850,000
<u>Plus: Ex-Im's Exposure Fee:</u>	<u>15,045 (1.77%)</u>
Total Financed Amount:	\$865,045

➤ Payable in 10 equal semi-annual principal payments of \$86,504.50 accrued interest.

➤ Pricing Indication:

- Lender's interest rate: 6-mo. Libor + 2.5%
- Lender's facility fee: 1-2%
- Exim's Commitment Fee: 0.125%



Medium Term Financing Example: **Air Tractor Inc.**

Customer's of Air Tractor use Ex-Im Bank's medium-term insurance to purchase its agricultural aircraft such as this AT402 to developing markets in Latin America.





Long-Term Financing Support

- Generally used for buyer financing in amounts over \$10 million and 7 to 12 year repayment terms
- Generally, large-ticket items (infrastructure) and project finance receive long-term support
- 15% minimum down payment / Ex-Im can support the lesser of:
 - (a) 85% of the US contract amount ; or
 - (b) 100% of the US portion
- Local costs: up to 30% of the US export contract
- Loan Guarantees & Direct Loans



Large Scale Long Term Financing Example: **American Tank & Vessel Inc.**

- A \$109.5 million loan was provided to the buyer, backed by a long-term guarantee from Ex-Im Bank. The transaction financed the construction of oil-storage tanks and two 70-kilometer pipelines to transport petroleum into the interior of Ghana, as well as into Mali and Burkina Faso.
- Ex-Im Bank's support was instrumental making this large scale project viable for the Ghanaian Government given fiscal limitations to undertake such a large project.



Success Story: American Tank & Vessel Inc.

AT&V workers fit and weld a vessel at the company's Lucedale, MS facility.



Officials from Ghana's Bulk Oil Storage & Transportation Co. Ltd. (BOST) meet with AT&V Director & VP of Construction at AT&V's 80-acre fabrication complex in Lucedale.





“ How Can We Help YOU? ”

- Expand international sales
- Boost borrowing power
- Speed cash flow
- Enter new markets
- Mitigate risks and losses



For More Information

➤ Call the Ex-Im Bank Regional Office near you:

- **New York: 212-809-2650** (Northeast / Mid-Atlantic)
- **Chicago: 312-353-8081** (Midwest)
- **Miami: 305-526-7436** (Southeast)
- **Houston: 281-721-0465** (Southwest)
- **Newport Beach: 949-660-1341** (West)
 - San Francisco: **415-705-2285**
 - San Diego: **619-557-7091**

➤ **WEBSITE:** www.exim.gov



Ex-Im Bank Partners

➤ **Additional resources and assistance in applying for Ex-Im Bank products are available from:**

- **Insurance Brokers** (see list on www.exim.gov)
- **City / State Partners** (see list on www.exim.gov)
- **Delegated Lenders** (see list on www.exim.gov)
- **US Export Assistance Centers** (USDOC and SBA)



Thank You!

- Rick Switzer
- Economic Attaché
- U.S. Embassy Barbados
- Email – switzerbr@state.gov

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BARBADOS & E. CARIBBEAN